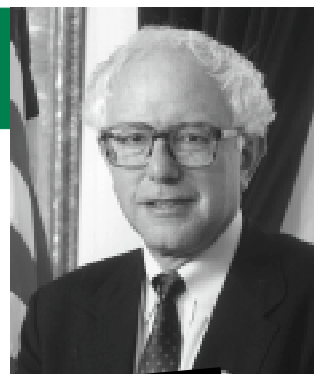




U.S. Representative

Bernie Sanders

A Special Focus on Agricultural Issues



Summer 2000

Congress of the United States
House of Representatives
Washington, D.C. 20515

Dear Fellow Vermonter,

Knowing your interest in agriculture, I want to take this opportunity to update you on some of the important agricultural issues currently before the Congress.

I don't need to tell you that family farmers in Vermont and throughout the country are facing difficult financial times despite the so-called "booming" economy that we keep hearing about. The economic crisis in family agriculture is not limited to any one product, or any particular region of the country. Dairy prices have plummeted. Apple growers have been hurt by product "dumped" into the United States from China. The significant increase in energy prices has hurt everyone. Recent increases in interest rates will put even more pressure on producers who rely on borrowing.

All over the United States, in almost every commodity, more and more of the agricultural sector is being controlled by large agri-business corporations. This is a very frightening trend that will have disastrous consequences for rural America, the environment and consumers if it is not stopped.

Sadly, despite falling farm prices and increased production costs, the federal government has refused to seriously address the plight of family farmers. In my opinion, Congress must stop coddling corporate agriculture and take strong action to save the family farm. Family farmers cannot be expected to prosper if they do not receive a fair price for their product – a price that takes into account the increased costs that farmers face.

While I and other pro-family farm Members of Congress continue to work for a major overhaul of federal agricultural policy, I have been supporting measures that will provide some relief to family farmers in the short-term. One of those initiatives is a federal agri-tourism program I authored last year which will help farmers share in the tourism dollars that flow into Vermont. Further, given the extremely low milk prices that farmers are now receiving, we are working hard to secure new emergency market loss assistance for dairy farmers.

Inside this newsletter, you will find more information about these efforts and other important agricultural issues. If you have any questions about an agricultural issue, or any other concern, please do not hesitate to contact my Burlington office at **1 Church Street, 2nd Floor, Burlington, VT 05401, (800) 339-9834**, or my Washington office at **2202 Rayburn House Office Building Washington, D.C. 20515, (202) 225-4115**, or by email at **bernie@mail.house.gov**. Also, please visit my web page at **<http://bernie.house.gov>**. You'll find a wealth of information there.

Sincerely yours,

Bernie

Bernard Sanders
U.S. Congressman

Agri-tourism Provides Diversification Option for Vermont Farmers

Tourism is one of the major industries in Vermont, bringing over \$2 billion into our state every year. The goal of agri-tourism is to make certain that more of these tourist dollars go into the hands of family farmers – the very people who help preserve the landscape and heritage that attracts tourists. Agri-tourism encompasses a number of initiatives including farmers' markets, food festivals, bed and breakfasts, farm tours, and heritage trails. At a time of extremely low farm

prices, we must look for new ways to bring revenue to Vermont's farms. Agri-tourism can be part of a successful diversification effort for some farmers.

Last year, Rep. Sanders added a \$1 million national agri-tourism grant program to the agriculture spending bill. Following passage of the program, he brought together the agricultural and tourism communities in Vermont to develop a successful \$750,000 grant proposal. This grant will be used to create a revolving loan fund and

to provide technical assistance to farmers wishing to start agri-tourism projects.

Continuing his efforts, Rep. Sanders convinced the U.S. House Appropriations Committee to double the funding for agri-tourism to \$2 million this year and successfully defeated an attempt on the House floor to eliminate the program. The increase must still be approved by the U.S. Senate. For more information about agri-tourism, contact Jenny Nelson in the Burlington office.



New Regulations Could Increase Market Value of Non-GMO Products

Newly proposed federal regulations could benefit farmers who produce food free of genetically modified organisms (GMOs). Under the proposed regulations, such products could be labeled as "GMO free." Rep. Sanders believes that foods identified as GMO-free will command a higher price in the marketplace because consumers are extremely concerned about the potential health and environmental harm that GMOs may present.

While Rep. Sanders supports the regulations as an important first step, he is sponsoring more far reaching GMO legislation. His bills would 1) require the labeling of all products containing GMO foods and 2) would empower the U.S. Food and Drug Administration to seek additional verification that GMO products are safe.

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Congress of the United States
House of Representatives
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M.C.

Official Business

If you receive more than one copy of this newsletter, we apologize. Please feel free to pass the extra copy along to an interested friend.

This mailing was prepared, published, and mailed at taxpayer expense.

China Trade Deal Bad for Family Farmers

As this newsletter went to press, the U.S. House of Representatives had approved so-called "Permanent Normalized Trade Relations (PNTR)" with China. U.S. Senate approval is expected in the coming weeks. Rep. Sanders was one of the leading opponents of the China trade deal.

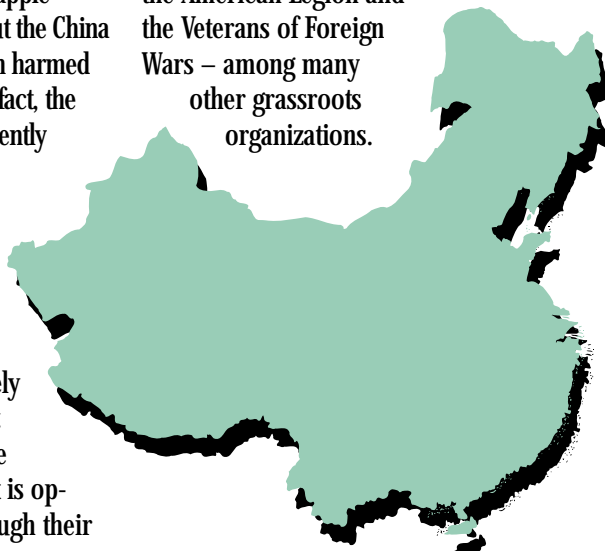
PNTR is strongly supported by big business interests, including corporate agri-business, because they want cheap labor and cheap agricultural imports from China. Estimates from one national economic think tank are that Vermont alone will lose over 2,000 jobs as a result of PNTR. The same study suggests national job loss will exceed 872,000. At a time when the United States currently has a \$68 billion annual trade deficit with China, it is believed that PNTR will result in an even larger trade deficit in coming years. PNTR will also

put further downward pressure on already low farm prices.

At a public meeting held in Montpelier by Rep. Sanders, Ray Allen, a Vermont apple grower, pointed out that even without the China trade deal, U.S. producers have been harmed by China's unfair trade practices. In fact, the International Trade Commission recently ruled unanimously that China has dumped over 40,000 metric tons of apple concentrate on the U.S. market at prices that are well below the cost of production. Apple growers in Vermont and across this country have been severely hurt by this unfair and illegal activity.

While PNTR is supported by the largest corporations in America, it is opposed by millions of workers through their

trade unions, the major environmental organizations, the U.S. Conference of Catholic Bishops and other religious organizations, the American Legion and the Veterans of Foreign Wars – among many other grassroots organizations.



Sanders Pushes for Federal Dairy Reforms

There is no question that federal dairy policy needs to be significantly revamped so that family farmers receive a fair price for their product. Over the last 15 years, dairy producers have experienced a 44 percent drop in the farm price of milk, and Vermont has seen 25 percent of its farms go out of business. At the same time, it is estimated that USDA's spending on dairy will drop from \$480 million in 1999 to only \$356 million in 2000. Rep. Sanders is currently working with Rep. David Obey of Wisconsin to

push two dairy measures that would help stem the loss of family farms in the near term.

The first, H.R. 3864, would extend the federal price support program and increase the support price to \$12.50 from the current floor of \$9.90. Family farmers cannot be expected to sell their milk for

less than it costs them to produce it. While Rep. Sanders believes that even \$12.50/cwt. is much too low, it will be a major effort to even achieve that goal because of the opposition of many in Congress.

Rep. Sanders is also supporting H.R. 3863, which would provide \$500 million in emergency market loss assistance to dairy farmers. This program would be similar to two earlier emergency market loss assistance efforts that together totaled \$325 million. Like the earlier installments, the aid would be targeted to family dairy farmers. This latest proposal is estimated to provide some \$11 million in aid to Vermont farmers if it were to become law. A version of this bill is currently moving in the U.S. Senate as part of this year's agricultural spending bill. Rep. Sanders and other pro-family farm Members of Congress will be working to keep this important provision in the final bill.

